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LETTUCE ENTERTAIN YOU ENTERPRISES, INC.

**UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF UTAH
CENTRAL DIVISION**

LETTUCE ENTERTAIN YOU, INC.,	Civil Action No. 2:18-CV-00725-DAK
Plaintiff,	COMPLAINT
v.	Judge DALE A. KIMBALL
RPM BREWERY, and STEVE PRUITT,	JURY TRIAL DEMANDED
Defendants.	

Lettuce Entertain You Enterprises, Inc., for its Complaint against Defendants RPM Brewery and Steve Pruitt, alleges as follows:

PARTIES

1. Plaintiff Lettuce Entertain You Enterprises, Inc. (“LEYE”) is a corporation organized under the laws of the State of Illinois with a place of business at 5419 Sheridan Road, Chicago, Illinois 60640.

2. On information and belief, Defendant RPM Brewery is a limited liability company organized under the laws of the State of Utah, with its principal place of business at 1122 East Draper Parkway, Draper, Utah 84020.

3. On information and belief, Defendant Steve Pruitt is a resident of the State of Utah, having an address of 3963 East Alpine Valley Circle, Sandy, Utah, and is an owner of the RPM Brewery restaurant and bar. On information and belief, Steve Pruitt directs, actively participates in, controls and benefits from the business of RPM Brewery’s restaurant and bar business.

JURISDICTION AND VENUE

4. This is an action arising in part under the Lanham Act, 15 U.S.C. § 1051 et seq., and Utah statutory and common law.

5. This Court has subject matter jurisdiction over this matter pursuant to 15 U.S.C. § 1121 and 28 U.S.C. §§ 1331 and 1338 (a) and (b) in that it involves an action arising under the Lanham Act. This Court also has supplemental jurisdiction over this action pursuant to 28 U.S.C. § 1367.

6. This Court has personal jurisdiction over Defendants because RPM Brewery and Steve Pruitt are each residents of the State of Utah.

7. Venue is proper in this District pursuant to 28 U.S.C. § 1391(b) and (c) in that a substantial part of the activities giving rise to the claims alleged herein occurred in this District, and a substantial part of the property that is the subject of this action is situated in this District.

NATURE OF THE CASE

8. LEYE brings this action to protect one of its most valuable assets, namely, the goodwill and consumer recognition associated with its family of trademarks comprising the marks RPM, RPM STEAK and RPM ITALIAN, which LEYE has used for many years in connection with its well-known restaurant and bar services.

9. As described more fully below, without LEYE's authorization or consent and with at first, at least constructive notice, and, subsequently, with actual notice, of LEYE's prior rights in its federally-registered RPM marks, Defendants have used of the marks RPM, RPM BEER, RPM BREWERY, and THE GARAGE GRILL & RPM BREWERY in connection with restaurant and bar services and craft beer. Defendants' use of the mark RPM is likely to lead consumers to incorrectly believe that Defendants' restaurant and bar services are authorized by, sponsored by, or affiliated with LEYE and its well-known RPM restaurant and bar services, thereby infringing LEYE's rights in its family of RPM marks. Defendants' infringement of LEYE's trademarks is causing irreparable harm to LEYE's reputation and goodwill, and should therefore be enjoined. LEYE also should be awarded damages in an amount sufficient to compensate it for such infringement. Additionally, as Defendants are now intentionally and willfully infringing LEYE's family of RPM marks, this case should be deemed an exceptional case, under 15 U.S.C. § 1114, and LEYE should be awarded treble damages and its attorney's fees incurred in this action.

COMMON ALLEGATIONS

(LEYE's Business and the RPM Family of Marks)

10. LEYE is a preeminent restaurant and catering company which owns, operates, and licenses restaurants throughout the United States. Since its creation in 1971, LEYE has been considered one of the most innovative restaurant companies in the United States, and currently owns and operates more than 85 restaurants in Illinois, California, Georgia, Virginia, Maryland, Arizona, Minnesota and Nevada, and continues to expand in key locations across the United States, further developing its national reputation.

11. Presently, LEYE owns and operates premier restaurants located throughout the United States under well-known names and trademarks, including Aba, Antico Posto, Bar Ramone, Beatrix, Big Bowl, Booth One, Bub City, Cafe Ba-Ba-Reeba!, Community Canteen, Di Pescara, Eiffel Tower, El Segundo Sol Taqueria & Margarita Bar, Ema, Everest, Foodease, Foodlife, Hub 51, Il Porcellino, Joe's Seafood, Prime Steak & Stone Crab, L. Woods, M Burger, M Street Kitchen, Magic Pan Crepe Stand, Mity Nice Grill, Mon Ami Gabi, Nacional 27, Osteria Via Stato, Oyster Bah, Petterino's, Pizzeria Via Stato, Ramen-San, R.J. Grunts, Sarnello's, Shaw's Crab House, Stella Barra Pizzeria, Stripburger, Summer House Santa Monica, Sushi San, Tallboy Taco, Three Dots and a Dash, Tokio Pub, Twin City Grill and Wildfire. LEYE and its restaurants offer a broad range of high-quality food and drink items for dine-in, take-out, delivery or catering as part of its restaurant services and bar services.

12. In addition to the foregoing, LEYE owns and operates restaurants in Chicago and Washington, D.C. under the trademark RPM. In 2012, LEYE opened its RPM ITALIAN

restaurant in Chicago. Building upon the success of the restaurant, LEYE opened RPM STEAK in 2012, also in Chicago, and RPM ITALIAN in 2016 in Washington, D.C.

13. Each of these marks is registered with the United States Patent and Trademark Office:

<u>Mark</u>	<u>Registration No.</u>	<u>Registration Date</u>	<u>Goods and Services</u>
RPM	4,837,200	10/20/15	Restaurant and bar services
RPM ITALIAN	4,279,925	1/22/2013	Restaurant and bar services
RPM STEAK	4,641,632	10/18/14	Restaurant and bar services

These marks constitute LEYE's RPM family of marks ("RPM Family of Marks"). Copies of the registration records for LEYE's RPM Family of Marks are attached hereto as **Exhibit A**.

14. Over the past several years, LEYE has invested considerable time, effort, and resources in promoting and providing its restaurant and bar services under and in connection with the RPM Family of Marks. LEYE promotes its RPM restaurants nationally through inter-restaurant promotions in each of its restaurants, its websites at www.rpmrestaurants.com, www.lettuceentertainyou.com, and www.leye.com, its frequent diner program (which includes members in all 50 states) and the well-known reservation services at www.OpenTable.com. In addition, LEYE promotes each of its RPM restaurants through its social media pages on Facebook, Twitter and Instagram accounts, all of which are accessible nationwide.

15. As a further result of LEYE's continuous and extensive use of its RPM Marks in connection with its restaurant and bar services, its RPM Family of Marks has developed considerable consumer recognition across the United States. Indeed, marks using the term RPM have come to be recognized by customers across the country as identifying and distinguishing

LEYE's restaurant and bar services, and LEYE's services alone. The RPM Family of Marks thus have acquired distinctiveness signifying LEYE, and LEYE has cultivated and now owns considerable and valuable goodwill in and symbolized by the RPM Marks.

16. This consumer goodwill and recognition constitutes one of LEYE's most valuable assets. Accordingly, the integrity of LEYE's RPM Family of Marks is extremely important to LEYE, and crucial to the continued vitality of LEYE's business as it continues to expand its RPM restaurants.

(Defendants' Infringement of LEYE's RPM Family of Marks)

17. In early January, 2018, LEYE became aware that Defendants were providing restaurant and bar services under the name RPM BREWERY. LEYE also learned that Defendants had filed applications with the U.S. Patent and Trademark Office to register the marks RPM BREWERY and THE GARAGE GRILL & RPM BREWERY in connection with "craft beers" and "restaurant and bar services," respectively. *See* Application Serial Nos. 87/388,652 and 87/388,605, copies of which are attached collectively hereto as **Exhibit B**. These applications were rejected by the Trademark Office under Section 2(d) of the Lanham Act as being likely to cause confusion with LEYE's Family of RPM Marks, and have been abandoned. Nevertheless, Defendants continue to use the marks RPM BEER, RPM BREWERY, and THE GARAGE GRILL & RPM BREWERY for their beer and bar services at their brewery and bar, and through their websites, located at www.rpmbeer.com/home/ and www.thegaragegrill.com, and through social media accounts.

18. When LEYE became aware of Defendants' use of RPM BREWERY and applications for RPM BREWERY and THE GARAGE GRILL & RPM BREWERY, it notified

Defendants in writing, of its prior use of, and existing rights in, its RPM Family of Marks in connection with restaurant and bar services, informed Defendants that their use of RPM infringed LEYE's rights in its RPM Family of Marks, and requested that Defendants cease use of the RPM mark. LEYE also demanded that Defendants withdraw their applications for RPM BREWERY and THE GARAGE GRILL & RPM BREWERY. A copy of LEYE's cease-and-desist letter to Defendants is attached hereto as **Exhibit C**.

19. Almost immediately after LEYE's January 5, 2018 written notice was delivered to Defendants via email, Defendants filed yet another trademark application to register the mark RPM in connection with "craft beers" in Class 32. *See* Application Serial No. 87/745,344, attached hereto as **Exhibit D**. This application has also been rejected by the Trademark Office under Section 2(d) of the Lanham Act as being likely to cause confusion with LEYE's Family of RPM marks.

20. LEYE continued to attempt to resolve this matter amicably by sending further letters and emails, and making repeated phone calls to Defendants regarding LEYE's prior use of, and existing rights in, the RPM Family of Marks.

21. To ensure that Defendants' silence was not the result of Defendants' failure to receive LEYE's prior communications, LEYE hand delivered a letter to Defendants' place of business, which notified Defendants of LEYE's prior use and existing rights in the RPM Family of Marks, informed Defendants that their use of RPM infringed LEYE's rights, and demanded that Defendants cease use of the mark RPM. LEYE also demanded that Defendants withdraw their applications identified above. A copy of that hand-delivered letter is attached hereto as **Exhibit E**.

22. Defendants have yet to acknowledge or respond to any of LEYE's foregoing efforts to raise its objection to Defendants' use of the RPM mark.

23. Defendants continue to use the RPM mark in connection with their restaurant and bar services. Defendants storefront continues to display the RPM BREWERY signage. Defendants' employees continue to answer the phone, "RPM Brewery." Defendants' menus and napkins continue to display the RPM BREWERY mark. Defendants continue to sell shirts displaying RPM BEER and RPM BREWERY marks to promote their restaurant and bar services.

24. Pursuant to 15 U.S.C. §1072, Defendants had constructive knowledge of LEYE's federally registered RPM Family of Marks prior to Defendants' unauthorized use of their RPM, RPM BEER, RPM BREWERY and THE GARAGE GRILL & RPM BREWERY marks, which are confusingly similar to LEYE's federally registered RPM Family of Marks.

25. In addition, Defendants had actual knowledge of LEYE's use and ownership of its RPM Family of Marks at least as early as January 5, 2018. Thus, Defendants knowingly and willfully continued to use a mark confusingly similar to LEYE's RPM Family of Marks with constructive and actual knowledge of LEYE's RPM Family of Marks.

26. In light of Defendants' use of RPM marks in connection with identical goods and services as those offered by LEYE under its federally-registered RPM Family of Marks, and Defendants' refusal to address its continued infringement of the RPM Family of Marks, LEYE has no choice but to protect its rights in its valuable RPM Family of Marks through this action.

COUNT I
FEDERAL SERVICE MARK INFRINGEMENT (15 U.S.C. § 1114(1)(a))

27. LEYE realleges and incorporates herein paragraphs 1 through 26 of this Complaint.

28. Defendants' aforesaid use of their RPM, RPM BEER, RPM BREWERY and THE GARAGE GRILL & RPM BREWERY marks with restaurant and bar services and beer is without LEYE's authorization or consent.

29. Defendants' unauthorized use of their RPM, RPM BEER, RPM BREWERY and THE GARAGE GRILL & RPM BREWERY marks in connection with their promotion and provision of restaurant and bar services and beer is likely to cause confusion, mistake or deception as to the affiliation, connection or association of Defendants or their goods and services with LEYE and its federally-registered RPM Family of Marks in violation of 15 U.S.C. §1114(1)(a).

30. Defendants' unauthorized conduct has deprived and will continue to deprive LEYE of the ability to control the consumer perception of its restaurant and bar services provided in connection with its RPM Family of Marks, placing the valuable reputation and goodwill of LEYE in the hands of Defendants, over whom LEYE has no control.

31. As a result of Defendants' conduct, LEYE has suffered substantial damage in an amount to be proven at trial, and irreparable harm to its RPM Family of Marks, constituting an injury for which LEYE has no adequate remedy at law. Unless this Court enjoins Defendants' conduct, LEYE will continue to suffer irreparable harm.

COUNT II
FALSE DESIGNATION OF ORIGIN (15 U.S.C. § 1125(a))

32. LEYE realleges and incorporates herein paragraphs 1 through 31 of this Complaint.

33. Defendants' actions complained of herein are likely to cause confusion, mistake or deception among consumers as to an affiliation, connection, or association of Defendants' goods and services with LEYE and its RPM Family of Marks, and as to the origin, sponsorship, or

approval of Defendants and their goods and services, in violation of Section 43 of the Lanham Act, 15 U.S.C. §1125(a).

34. Defendants' unauthorized conduct has deprived and will continue to deprive LEYE of the ability to control the consumer perception of its restaurant and bar services provided in connection with its RPM Family of Marks, placing the valuable reputation and goodwill of LEYE in the hands of Defendants, over whom LEYE has no control.

35. As a result of Defendants' conduct, LEYE has suffered substantial damage in an amount to be proven at trial, and irreparable harm to its RPM Family of Marks, constituting an injury for which LEYE has no adequate remedy at law. Unless this Court enjoins Defendant's conduct, LEYE will continue to suffer irreparable harm.

COUNT III
VIOLATION OF UTAH UNFAIR COMPETITION ACT
(U.C.A. § 13-5a-101 et seq.)

36. LEYE realleges and incorporates herein paragraphs 1 through 35 of this Complaint.

37. Defendants' unauthorized use of their RPM, RPM BEER, RPM BREWERY and THE GARAGE GRILL & RPM BREWERY marks in connection with their promotion and provision of restaurant and bar services and beer is likely to cause confusion, mistake or deception as to the affiliation, connection or association of Defendants or their services with LEYE and its federally-registered RPM Family of Marks.

38. Defendants' unauthorized conduct has deprived and will continue to deprive LEYE of the ability to control the consumer perception of its restaurant and bar services provided in connection with its RPM Family of Marks, placing the valuable reputation and goodwill of LEYE in the hands of Defendants, over whom LEYE has no control.

39. Defendants' actions complained of herein constitute an intentional business act or practice that is unlawful and unfair and will lead to a material diminution in the value of LEYE's intellectual property, namely, its RPM Family of Marks. Defendants' conduct constitutes infringement of LEYE's federal and common law RPM trademarks in violation of U.C.A. § 13-5a-101 *et seq.*

40. As a result of Defendants' conduct, LEYE has suffered substantial damage in an amount to be proven at trial, and irreparable harm to its RPM Family of Marks, constituting an injury for which LEYE has no adequate remedy at law. Unless this Court enjoins Defendants' conduct, LEYE will continue to suffer irreparable harm.

COUNT IV
UTAH TRUTH IN ADVERTISING ACT (U.C.A. § 13-11a-1 *et seq.*)

41. LEYE realleges and incorporates herein paragraphs 1 through 40 of this Complaint.

42. Defendants' actions complained of herein are likely to cause confusion or misunderstanding as to the source, sponsorship, approval, or certification of its restaurant and bar services by LEYE, in violation of U.C.A. § 13-11a-1 *et seq.*

43. Defendants' actions complained of herein are likely to cause confusion or misunderstanding as to affiliation, connection, or association with LEYE's RPM Family of Marks, in violation of U.C.A. § 13-11a-1 *et seq.*

44. LEYE has provided numerous cease-and-desist letters giving Defendants notice of their violations of LEYE's RPM Family of Marks, thereby providing Defendants with an opportunity to promulgate a corrective notice, but, on information and belief, Defendants have not done so.

45. As a result of Defendants' conduct, LEYE has suffered substantial damage in an amount to be proven at trial, and irreparable harm to its RPM Family of Marks, constituting an injury for which LEYE has no adequate remedy at law. Unless this Court enjoins Defendants' conduct, LEYE will continue to suffer irreparable harm.

COUNT V
COMMON LAW TRADEMARK INFRINGEMENT

46. LEYE realleges and incorporates herein paragraphs 1 through 45 of this Complaint.

47. Through its continuous use and promotion of LEYE's RPM Family of Marks on its restaurant and bar services, LEYE has obtained common law trademark rights and valuable goodwill in its RPM Family of Marks.

48. LEYE has not authorized Defendants to use the RPM marks in commerce in connection with restaurant and bar services or beer, nor has LEYE authorized Defendants to use a mark that is confusingly similar to its RPM Family of Marks.

49. Defendants have used and are using the RPM, RPM BEER, RPM BREWERY, and THE GARAGE GRILL & RPM BREWERY marks in commerce in connection with restaurant/bar services and beer in the United States.

50. Defendants' use of the RPM, RPM BEER, RPM BREWERY, and THE GARAGE GRILL & RPM BREWERY marks with its goods and services constitutes infringement of LEYE's RPM Family of Marks.

51. As a result of Defendants' conduct, LEYE has suffered substantial damage and irreparable harm to its RPM Family of Marks, constituting an injury for which LEYE has no adequate remedy at law. Unless this Court enjoins Defendants' conduct, LEYE will continue to suffer irreparable harm.

PRAYER FOR RELIEF

WHEREFORE, as to all Counts of this Complaint, LEYE requests that this Court enter a judgment in favor of LEYE and against Defendants as follows:

A. Declaring that Defendants have infringed LEYE's RPM Family of Marks and have engaged in unfair competition under 15 U.S.C. §§ 1114 and 1125; have violated the Utah Unfair Competition Act and Utah Truth in Advertising Act; and have infringed LEYE's common law trademark rights in its RPM Family of Marks;

B. Permanently enjoining and restraining Defendants, their agents, servants, employees and attorneys, and any other persons in active concert or participation with them from:

- (1) using, selling, offering for sale, holding for sale, advertising or promoting any goods or services under or in connection with any trade name, trademark, service mark or Internet domain name that is comprised in whole or in part of the term RPM, or any term confusingly similar to LEYE's RPM Family of Marks; or
- (2) doing any act or thing that is likely to induce the belief that Defendants' goods, services, or activities are in some way connected with LEYE's business, or that is likely to injure or damage LEYE's name, marks or business; and

C. Requiring that Defendants:

- (1) reimburse LEYE for all damages it has suffered due to Defendants' acts complained of herein;
- (2) pay to LEYE treble damages;

- (3) pay LEYE punitive damages pursuant to U.C.A. § 13-5a-103;
- (4) deliver to LEYE's counsel for destruction all promotional materials, products, advertisements, signs, brochures, packages, menus, and other printed materials bearing the RPM mark or any other marks confusingly similar to LEYE's RPM Family of Marks and all means for making the same that are in Defendants' possession or control within (10) days of the entry of the Order;
- (5) reimburse LEYE for the costs it has incurred in bringing this action, together with its reasonable attorneys' fees and disbursements; and

D. Awarding LEYE such other and further relief as this Court deems equitable.

Dated: September 13, 2018

Respectfully Submitted,

By: /s/ Chad E. Nydegger

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